From: Abramson, Jonathan

Sent By: Jonathan.A.Abramson@uscq.mil

DAlessandro, Jeffry; Greg Fife/R6/USEPA/US@EPA

Subject: RE: A fund question SALT MINE SEEP

Date: 10/10/2012 04:01 PM

Greg/Jeff,

I don't think we need to go down the avenue that ${\tt Jeff}$ outlined -- although it is good advice to research that information in any type of response.

Source is the trigger for response. Natural seeps are excluded from OPA funding. In certain ranon-OPA incidents CWA authority allows an FOSC to respond to emergencies where human health and safety are critical. However, I'm not sure it applies to OSLTF funding because the health and safety issue would be the sinkhole, rather than the oil. In certain rare

Jon

----Original Message From: DAlessandro, Jeffry
Sent: Wednesday, October 10, 2012 4:48 PM
To: Fife.Greg@epamail.epa.gov
Cc: Abramson, Jonathan
Subject: RE: A fund question SALT MINE SEEP

Can you show that is a fact? In other words the oil would have remained encased and they were not targeting the oil. So did they know the oil was there? We run into this all the time out west natural pressure pushes up the crude. So... did the company uncover a natural seep which is what I'm reading so far? If so, it's still a natural seep coming up out of the earth vs. a oil lease. You would have to show they somehow manipulated the project and caused the oil to be released like saltwater injecting, steam injection, etc... they inserted "pressure" vs. they just dug a hole and it came bubbling up. Salt caverns are a known place to find/speculate for crude oil. Do they have a lease did they own a lease? All things you should look into IMO. Did they in fact know the oil was there? Did they make a move to harness the crude oil. All things we need to know.

Greg I suppose you will have to provide a lot more details before I could tell you for sure.

v/r

ıΤD

----Original Message---From: Fife.Greg@epamail.epa.gov [mailto:Fife.Greg@epamail.epa.gov]
Sent: Wednesday, October 10, 2012 3:37 PM
To: DAlessandro, Jeffry
Cc: Abramson, Jonathan
Subject: Re: A fund question SALT MINE SEEP

Even with the man-made disturbance that caused the oil to surface?

Greg Fife

Sent using BlackBerry

---- Original Message ----From: "DAlessandro, Jeffry" [Jeffry.DAlessandro@uscg.mil] Sent: 10/10/2012 02:49 PM EST

To: Greg Fife
Cc: "Abramson, Jonathan" <Jonathan.A.Abramson@uscg.mil>

No if it's a natural crude seep the fund is not available. OPA Funds are for non natural events. If the crude was from a domestic oil lease yes. Naturally occurring seep no...

Hope that helps

v/r ıΤD

----Original Message----From: Fife.Greg@epamail.epa.gov [mailto:Fife.Greg@epamail.epa.gov] Sent: Wednesday, October 10, 2012 12:44 PM To: DAlessandro, Jeffry Subject: A fund question

Hey Jeff, I've got a question about the use of the fund. Its a site that is becoming more and more dire and with that, we, EPA, are getting pulled in. The site is Bayou Corne, in Assumption Parish, LA. There is a huge salt dome formation under that area and several caverns have been mined into it. Some are used for LPG, butane, and other storage. And some are just salt mines. Beginning sometime in May, there were bubbles seen in the area, natural gas bubbles. The origina theory was the source was from a pipeline that was connected to one of the storage caverns. That theory gave way when a sinkhole opened up in August. It appears that one cavern may be the culprit. Some investigation has been done to support that. The original

The sinkhole is full of water, and crude oil is accumulating. The State just got the results of identification samples and it shows unadulterated crude oil, and it matches what has been found in the cavern. There are a lot of safety concerns about cleaning up oil in a sinkhole, especially when the walls keep sloughing off. They have already lost a boat that was tie to a tree that fell



into the hole. Estimates are 2000 BBLs or more. There is some planning by the brine company about long term production of the crude but its the immediate response to it is the situation. There is navigable waters adjacent. While the crude has been boomed off, a boat that jumped the boom released the crude to the water.

Is the Fund appropriate source for funding for the support of the response?

Thanks Greg Fife 214-789-2879